

*Minnesota Forest Resources Council*  
Minutes  
Cloquet Forestry Center, Cloquet, MN  
July 24, 2013

**Members Present:** Bob Stine (Chair), Susan Solterman Audette, Greg Bernu, Forrest Boe, Wayne Brandt, Alan Ek, Dale Erickson, Shaun Hamilton, Darla Lenz, Bob Lintelmann, Gene Merriam, Bob Owens, Dave Parent, Shawn Perich, Kathleen Preece, Mary Richards, Mike Trutwin

**Members Absent:** none

**Staff Present:** Dave Zumeta, Lindberg Ekola, Calder Hibbard, Rachael Nicoll, Rob Slesak, Clarence Turner

**Guests:** Rebecca Barnard (MN DNR), Mark Johnson (MN Deer Hunter's Association), Leslie McInenly (MN DNR), Olin Phillips (MN DNR), David Wilson (U of MN), John Zobel (U of MN)

**Chair's Remarks**

Bob Stine opened the meeting with introductions. He reported that the MFRC sent a second letter to Governor Mark Dayton regarding terrestrial invasive species at the beginning of the week of July 22. The letter offered the involvement of MFRC staff in organizing a meeting to prioritize information and strategies. The Information Management Committee decided to delay sending the letter, but the MFRC Chair deemed that this month was the appropriate time to send it. Bob added that the Council member position representing the Minnesota Indian Affairs Council, held by Bob Lintelmann, is up for reappointment. However, there has been no word from the Indian Affairs Council, so Bob Lintelmann's term is extended.

**Approval of Meeting Minutes\***

Wayne Brandt approved, and Dave Parent seconded, the meeting minutes. *The minutes were unanimously approved.*

**Approval of Agenda\***

*Dave Parent* approved, and Mike Trutwin seconded, the meeting agenda. *The agenda was unanimously approved.*

**Executive Director Remarks**

Dave Zumeta reported the completion of the 2012 Public Concerns Registration Process (PCRP) report. The report was very brief; there were no official complaints. Long time contractor Bruce ZumBahlen did not want to renew his contract, so the MFRC will engage a new contractor. Council members inquired about the lack of participation in the PCRP. Shaun Hamilton suggested using the Site-level program's monitoring efforts to invigorate the PCRP and solicit public input. Dave Zumeta expressed potential concerns about issues with private landowner

access, but MFRC staff could revisit the protocols. Dave Parent commented that the lack of complaints could demonstrate satisfaction with adherence to the Site-level guidelines.

Dave Zumeta yielded his time to Rachael Nicoll, who summarized planning efforts for the September 17-18 MFRC meeting and tour in Baudette. Rachael recently traveled to Baudette for a Northern Regional Landscape Committee meeting, visited the meeting venue and potential dining locations and spoke with local committee members. The MFRC sent meeting invitations to Congressman Peterson, several Minnesota legislators, Mayor of International Falls Bob Anderson and Mayor of Baudette Rick Rone. Rachael deferred to Dale Erickson to discuss the field tour. The Council will visit Dale's mill during the afternoon of the 17th. Dale explained that a bus tour is the best option to see diseased tamarack, historic Norris camp and various ownerships and management in the Northern Landscape on the 18th. Rachael is holding a block of rooms at the AmericInn Hotel in Baudette. She will send reservation information to Council members to book their own rooms for Monday, September 16 and Tuesday, September 17, if needed. Dale also mentioned that the town park, Timber Mill Park, in Baudette has camping arrangements, including bathrooms and fire pits.

### **Committee Reports**

#### *Personnel and Finance*

Bob Stine reported that Dave Zumeta's term as MFRC Executive Director was extended by two years. The committee also discussed a recent meeting between Dave Zumeta, Calder Hibbard and Carrie Meyerhoff, Principal Evaluator at the Program Evaluation Division of the Office of the Legislative Auditor, to discuss the upcoming audit of the Sustainable Forests Incentive Act (SFIA). Forrest Boe spoke about a subsequent audit of the Forest Management Program. The committee also reviewed FY 13 and 14 budgets. Bob noted that there will be no MFRC monitoring budget in FY 14; the DNR Division of Forestry will now administer this budget. Dave is completing MFRC staff performance reviews, and Bob will conduct Dave's review.

#### *Site-Level*

There has been no meeting of the committee since the last Council meeting. An update about the ad hoc committee meetings will occur later in today's meeting.

#### *Landscape Planning/Coordination*

Shaun Hamilton reported that the committee met on July 17. Lindberg Ekola provided draft meeting minutes. A discussion of the Northeast Landscape Region plan update will occur later in today's meeting.

#### *Information Management Committee*

The committee met on June 10. Kathleen Preece reported that Alan Ek shared information about several LCCMR projects, and the committee discussed the letter to the governor on terrestrial invasive species. An ongoing discussion of forest productivity continued. The committee will review the MFRC Private Lands Study recommendations at a later meeting.

### **Written Communication to the MFRC**

Dave Zumeta reported that the MFRC received one written communication. Craig Halla, Property Manager of Molpus Timberlands, sent an email to Dave Zumeta on July 23, 2013 regarding Molpus' stance on re-enrollment of property into the SFIA program. Craig indicated that Molpus is concerned about the direction this legislation is taking and its impact on Molpus' ability to do conservation easements in the future. Dave explained the significance of Molpus to Minnesota forestry. No action is requested related to this communication, but Dave just wanted to raise awareness. This communication confirmed that there are both positive and negative aspects of recent changes to the SFIA.

Shaun Hamilton asked if this legislation will be problematic for any particular audience. Wayne Brandt replied that essentially, there are not going to be any more large conservation easements in the state. He senses bipartisan disapproval of conservation easements. Shaun inquired about the long-term standing of the eligibility requirements as they seem regressive. Wayne's sense was that the requirements will stay. Additional education is needed for change on this issue. Gene Merriam inquired about the discussion of consequences before passage of the SFIA amendments. Wayne replied that there were a few hearings in addition to the sharing of the MFRC's Private Lands Study at the Capitol. However, there are a limited number of legislators with a thorough understanding of the SFIA. Also, conservation and environmental organizations were not as involved as they have been with other legislation in the past.

Discussion ensued regarding the effects of this legislation on the competitiveness of Minnesota's forest industry. Bob Owens posed a question to the entire Council: should the Council take action on this issue? If so, who should the Council work with to take action? The changes to the SFIA will have significant effects for TIMOS and conservation easements. Dave Zumeta asked that the MFRC continue this discussion at the end of the following agenda item.

### **Committee of the Whole: Implementation of legislatively mandated 2013 MFRC Private Lands Study**

Kathleen Preece provided a brief overview of the Information Management Committee's discussion of the MFRC Private Lands Study recommendations. Calder Hibbard explained the need to prioritize the study's recommendations to form strategic implementation actions. Calder provided an overview of the study's recommendations and covered the major policy priorities as well as regional priorities from the MFRC landscape committees. Tax programs are a top priority. Calder also discussed prioritization criteria developed by the IMC as well as legislative outcomes of the study. He requested additional input from the Council. The IMC will continue vetting the study's recommendations at an August meeting and will eventually formulate an implementation plan.

Shaun Hamilton inquired about legislative input on the study. Calder replied that there was a lot of feedback, and most indicated support of most or all of the recommendations. There was great interest from the Senate tax committee. Dave Zumeta added that in response to requests from key legislators Calder provided information about the study during the recent legislative session. Discussion ensued regarding the topic of forestland taxation incentives, which included

the quantification and evaluation of public benefits from forestlands. Wayne Brandt suggested that the council should look at the whole suite of benefits provided by the land. Bob Owens commented that the elimination of the SFIA payment cap and consistent treatment of conservation easements for tax valuation are the most important issues. Dale Erickson warned that if the Council does not get more active about keeping the forest industry we have in Minnesota, we will only be discussing forest recreation. As the Council focuses on this list of recommendations, the state's forest industry is going out the back door.

Dave Zumeta said this conversation was laying the foundation for an action item at a future meeting. He asked if there should be more aggressive action by the Council, with a particular focus on the loss of forest industry in relation to the SFIA provisions and consistent treatment of forest conservation easements. Bob Stine commented that this conversation gets back to the reason why the Council exists. He asked Kathleen and the IMC to discuss this further and consider related action items for future meetings.

### **DNR nursery and tree improvement report to the legislature**

Forrest Boe commented on the unexpected interest at the legislature in state nurseries at the recent session. He provided an overview of the "Laws of 2011" that restricted state nursery sales to public agencies and private landowners with permanent conservation easements. Forrest introduced Olin Phillips, Forest Protection and Health Section Manager, DNR Division of Forestry. Olin explained that the state nursery program has experienced a lot of changes over the past eight years. With the economic downturn, there was a drop from over eight million seedlings sold per year to only five million sold per year. Recently seedling sales dropped further to 3.5 million seedlings per year, and General Andrews Nursery closed after the special session law passed in 2011. In the recent legislative session, the special session law was repealed and the legislature called for a report on the state's nurseries.

The DNR now needs to ramp up operations in order to increase sales to 5.2 to 5.5 million seedlings per year. The state nurseries will work to meet multi-species needs while considering climate change and invasive species. A report to the legislature is due on December 31, 2013. The project team will meet tomorrow. Olin mentioned that the MFRC is one of the team's primary customers, so the Council should weigh in on this issue and report. The team is charged with maintain good working relationships with the private nursery industry. There are no plans to re-open General Andrews without greater demand. The DNR is contemplating alternate uses for the facility, such as a seed source or tree improvement site.

Dave Parent asked about potential sources of state nursery revenue as agencies reforest disturbed areas. Olin answered that money will be allocated from the Division of Forestry's budget to reforest blowdown areas. Alan Ek commented that the state nursery is the backbone of the science and technology that supports our forest resources over time. Bob Stine asked Olin to provide an update at the September Council meeting. Olin requested additional input from the Council. He added that Dave Zumeta had been involved in the scoping process.

### **Forest certification opportunities and challenges**

Forrest Boe introduced Rebecca Barnard, Forest Certification Coordinator, DNR Division of Forestry, to provide a brief overview of the challenges, issues and opportunities surrounding forest certification. Rebecca encouraged Council members to contact her with questions. She defined forest certification, emphasizing that it is a market-driven, consumer-led initiative that involves independent, third-party evaluation. She compared certification systems in Minnesota, including Forest Stewardship Council (FSC), Sustainable Forestry Initiative (SFI), American Tree Farm System and Minnesota Master Logger Certification. Both FSC and SFI standards expire in 2015. She encouraged members to watch for an opportunity over the next year-and-a-half for a public comment period. Rebecca said that certification standards, audits and Corrective Action Requests all add validity to the certification process. Finally, Rebecca mentioned that the MFRC site-level guidelines are vital because they fit these certification standards and help users.

Rebecca also provided an overview of the DNR's history regarding forest certification. Overall, it has been a success. The Great Lakes states region contains more than half of all FSC-certified forests in the U.S., and Minnesota ranks number one in SFI acres in the country. The Minnesota DNR is recognized for its leadership, commitment and success in forest certification. Dual certification recognizes Minnesota DNR's commitment to sustainable forestry, and it is cost-effective. No additional revenue to the DNR has resulted from certification. Rebecca outlined the agency's direct costs as well as accomplishments related to certification.

Rebecca discussed four important challenges and barriers. One is the SFI three-year re-certification cycle and another is the FSC Chain of Custody. The latter involves additional paperwork, audits and costs to logging and procurement operations. It can also remove product certification if legal ownership changes. Third, proposed FSC International Generic Indicators (IGIs) are complex and unrealistic. DNR Commissioner Landwehr wrote a letter to FSC International communicating the barrier that IGIs would create for DNR certification. Rebecca requested that Council members comment on this issue and watch for an opportunity to provide comments in September.

Greg Bernu commented that the counties are experiencing the same issues as the DNR. Like the DNR, the counties will do what they can to keep their wood certified. There is no financial incentive, but certification provides great social benefits. Mike Trutwin added that as the economy improves, certification will be more validated by customers. Rebecca replied that if it comes to a choice between affordable wood and expensive, barrier-ridden FSC-certified wood, it will be an easy choice for consumers. FSC needs to understand this.

### **Update on MFRC ad hoc committee on field guide development and implementation goals**

Rob Slesak reviewed membership of the ad hoc committee and the committee's charge. Two meetings focusing on creating a field guide have gone very well. The committee solicited stakeholder input and discussed monitoring and emphasis areas. They reviewed sections of the guidelines and discussed what content to include. Twenty-five percent of about 400 guidelines, or about 100 guidelines, were selected for retention in the guidebook. The revisions will be presented at the next ad hoc committee meeting in August. The committee will draft language

for the field guide to share at the September Council meeting. Rebecca Barnard will attend the next ad hoc committee meeting to talk about certification and implementation goal development. The committee will begin developing implementation goals at its September meeting. Bob Stine commented that the ad hoc committee is making good progress.

### **Status of moose in Minnesota**

Bob Stine introduced Shawn Perich and Leslie McInenly, Big Game Program Leader, DNR Division of Fish and Wildlife. Leslie covered historic and recent changes in the moose range in Minnesota. Two subpopulations exist in the state (Northwest and Northeast), but only one significant subpopulation now remains in the Northeast. The DNR began collaring moose in this region in 2004. Declines had been observed up to then, but only in subsequent years have they been statistically significant. Last year, the remaining moose population in Minnesota dropped 35 percent. There has been about a 50 percent population decline in the last three years.

Leslie also discussed the 2011 Minnesota Moose Research and Management Plan. There was a need to revisit the population thresholds the plan contained, and the 2013 population results led to DNR closing the state moose hunting season. The Fond du Lac Band will hunt up to 25 moose this year. The change in moose's Endangered, Threatened and Special Concern species listing from none to Special Concern has been signed off by Governor Dayton and is expected to become effective in mid-August.

There are many unknowns regarding recent moose mortality. Adult mortality is higher in Minnesota than in other areas, and moose are dying throughout the year, even in months when they should be in good health. The voluntary Moose Health Assessment project's goal is to determine what moose are exposed to. The Northeast Moose Mortality Project will commence this winter and result in rapid assessment of adult death as well as moose reproduction and calf survival. Many moose research projects are ongoing, including updated moose habitat suitability modeling and an LSOHC Moose Habitat Collaborative project. Leslie will keep the Council apprised of the results of these projects. Overall, Minnesota has a large amount of optimal moose habitat; however, habitat suitability modeling does not consider climate change, disease or other factors. Leslie directed Council members to the DNR's moose website for further information: [www.mndnr.gov/moose](http://www.mndnr.gov/moose).

Shaun Hamilton asked about moose research in New England. A lot of states are experiencing declines in moose populations, but Leslie has not seen a lot of research on causes of these declines. Minnesota is a leader in moose research nationally. Wayne Brandt expressed confusion about the report's recommendations. Leslie replied that the DNR needs to do a better job at producing recommendations. Additional research will help. Discussion ensued regarding moose populations in other regions and impacts on their numbers, including winter feeding of deer and interactions with humans.

## **Using Forest Inventory and Analysis data to assess changes in moose habitat in northeastern Minnesota**

Alan Ek introduced David Wilson, Research Assistant at the University of Minnesota Department of Forest Resources, who works part-time on Interagency Information Cooperative funds. David explained that this work was completed to relate Forest Inventory and Analysis (FIA) information to Minnesota moose survey data. David covered potential factors affecting the moose decline. He also provided information on forest age distributions in primary moose habitat zones and the downward trend of statewide timber harvests from 1998 – 2010. The amount of older forests in primary habitat areas has increased from 2005 – 2011. The leaves of young trembling aspen, paper birch and willows are a critical food source for moose in northeastern Minnesota.

David showed a comparison of FIA and moose population data from 2003 - 2013. The estimates of changes in potential feeding habitat area do not coincide precisely with the moose population declines; however, a delay in the moose population response is expected. There was a strong relationship between acres of young forestland/disturbed forests and moose population numbers, but David emphasized that the analysis did not demonstrate causation. The study also considered data from the Superior National Forest.

David explained that the results from the study suggest that reductions in young aspen/paper birch forests may have directly or indirectly influenced recent moose population declines. The Minnesota moose population may be pressured due to food resource limitations. He suggested further examination of historical moose population responses to forest age class distributions and associated disturbances, how additional disturbances may affect the moose population and how moose utilize recently disturbed areas.

Greg Bernu asked about the FIA plots that fell on open water. David replied that they include census and non-census water. Gene Merriam asked about studies looking at precipitation. David has not seen any such studies. Mary Richards asked what the difference is between David's and Alan's study and the DNR studies Leslie discussed. Alan replied that scientists can look at a question from different perspectives. The DNR uses less standard and comprehensive databases to evaluate moose habitat, but he and David decided to use an existing database that is coarse but very comprehensive. In response to a question, Leslie indicated that DNR Wildlife will overlay habitat and population data as a next step. Alan commented on the complexity of the relationship between food availability and wildlife populations.

## **Northeast Landscape Plan revision update**

The Northeast (NE) Landscape Regional Committee has held 12 meetings to-date with good attendance. The 2003 version of the plan had no economic or social components. The updated version will include technical analyses, FIA data, timber analysis areas and economic analysis. The committee is working to update the Northeast Conditions and Trends report, collaborating with the Northern Institute of Applied Climate Science on the climate change piece as well as with the Boreal Forest and Community Resilience Project. MFRC Landscape Forester Mike Lynch, is on board to help with technical analyses. The economic and social frameworks will be

done in next few months, as will an updated landscape perspectives document. The committee wants to develop a strong monitoring framework and recommendations that are useful outside of the immediate forestry organizations. Lindberg emphasized a collaborative approach to spend money in a strategic way and to take advantage of collaborative infrastructures.

Dave Zumeta added that a large emphasis on ecological components remains in the updated plan. The planning committee is also focusing more on the forest-based economy and specific economic goals and working to incorporate climate change considerations. Dave Parent suggested a focus on small, community scale activities. Shaun Hamilton added that one of the more interesting developments in the update is the inclusion of timber analysis areas that break up this large landscape into a much more manageable scale. Finally, Shawn Perich made a rhetorical comment that perhaps, instead of fretting about the past and present, the Council should look towards the future. Someone will use our forest fiber, just maybe not in the same way. Bob Stine said that our forests face an uncertain future, especially with climate change. Lindberg concluded that every plan faces uncertainty, so the Council's plans need to maintain and grow a collaborative infrastructure.

#### **Public Communications to the MFRC**

None

#### **MFRC Member Comments**

Gene Merriam commented on the full agenda at this meeting. In his experience, voluntary guidelines tend to become regulatory. The Council should discuss this at a future meeting. Susan Solterman Audette expressed interest in Gene's comment. When Susan reviews Corrective Actions Requests, she does not see that. Actually, certification results in guideline implementation, so there is widespread understanding of the guidelines. Susan believes that land managers would not have as thorough understanding of the guidelines as they do now without certification.

Wayne Brandt moved, and Dave Parent seconded adjourning the meeting. *The meeting was adjourned at 2:55 p.m.*